

COMPANY No. 3127918

BRYANT GROUP LEASING LIMITED
REPORT AND FINANCIAL STATEMENTS

31 MAY 1997



BRYANT GROUP LEASING LIMITED

DIRECTORS' REPORT

The directors present their annual report and the audited financial statements for the year ended 31 May 1997.

1. ACTIVITIES

The principal activity of the company is the leasing of motor vehicles.

2. REVIEW OF ACTIVITIES

The company has continued to perform satisfactorily during the year under review. Details of the company's financial position are given in pages 4 to 9. The directors consider that the company is well placed to continue to operate satisfactorily in the future.

3. DIVIDENDS AND TRANSFER TO RESERVES

No dividend was paid in the year (1996 - Nil). The loss after tax of £ 8,076 (1996 - £880) has been carried forward.

4. DIRECTORS

The directors who held office during the year and their beneficial interests in the shares of the ultimate parent company were as follows:-

	ordinary shares of 25p each		share options of 25p each	
	31 May 1997	1 June 1996	31 May 1997	1 June 1996
M C Chapman	*	*	*	*
R D Pearse	2,647	-	124,653	125,220
G F Potton	*	*	*	*

* Interests in the shares of the ultimate parent company are shown in the directors' report of Bryant Group plc.

At no time during the year did any director have any other beneficial interest in the shares of the company or any other group company.

5. STATEMENT OF DIRECTORS' RESPONSIBILITIES

Company law requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit or loss of the company for that period. In preparing those financial statements, the directors are required to

- * select suitable accounting policies and then apply them consistently
- * make judgements and estimates that are reasonable and prudent
- * state whether applicable accounting standards have been followed
- * prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

BRYANT GROUP LEASING LIMITED

DIRECTORS' REPORT

The directors are responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the company and to enable them to ensure that the financial statements comply with the Companies Act. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

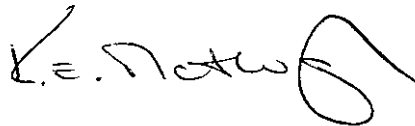
6. CREDITOR PAYMENT POLICY

The company agrees terms and conditions for its business transactions with suppliers. Payment is then made on these terms, subject to the terms and conditions being met by the supplier. The average number of days between receiving supplies and making payments to trade creditors was 7 days (1996 - 23 days).

7. AUDITORS

A resolution for the reappointment of Deloitte & Touche as auditors of the company is to be proposed at the forthcoming Annual General Meeting.

Approved by the Board of Directors
and signed on behalf of the Board

A handwritten signature in black ink, appearing to read 'K. E. McHugh', followed by a large, stylized circular flourish.

K E McHugh

Secretary

AUDITORS' REPORT TO THE MEMBERS

of

BRYANT GROUP LEASING LIMITED

We have audited the financial statements on pages 4 to 9 which have been prepared under the accounting policies set out on page 6.

Respective responsibilities of directors and auditors

As described on pages 1 and 2 the company's directors are responsible for the preparation of financial statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the directors in the preparation of the financial statements, and of whether the accounting policies are appropriate to the company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In our opinion the financial statements give a true and fair view of the state of the company's affairs as at 31 May 1997 and of the loss for the year then ended and have been properly prepared in accordance with the Companies Act 1985.

Deloitte & Touche

1 October 1997

Deloitte & Touche,
Chartered Accountants and
Registered Auditors,
Colmore Gate,
2 Colmore Row,
Birmingham, B3 2BN

BRYANT GROUP LEASING LIMITED

PROFIT AND LOSS ACCOUNT

Year ended 31 May 1997

		1997	Period from 17 November 1995 to 31 May 1996
	Note	£	£
Turnover		321,572	10,414
Cost of sales		<u>(254,340)</u>	<u>(8,156)</u>
Gross profit		67,232	2,258
Administrative expenses		<u>(8,596)</u>	<u>(266)</u>
Operating profit		58,636	1,992
Interest payable	1	<u>(76,235)</u>	<u>(3,305)</u>
Loss on ordinary activities before taxation	1	(17,599)	(1,313)
Tax on loss on ordinary activities	3	9,523	433
Loss on ordinary activities after taxation being the loss for the year	10	<u>(8,076)</u>	<u>(880)</u>

All material activities derive from continuing operations.

As there are no recognised gains or losses other than the loss for the year, a statement of total recognised gains and losses has not been included.

BRYANT GROUP LEASING LIMITED

BALANCE SHEET - 31 MAY 1997

	Note	1997 £	1996 £
FIXED ASSETS			
Tangible assets	4	<u>1,573,443</u>	<u>183,514</u>
CURRENT ASSETS			
Debtors	5	198,084	44,860
Cash at bank		<u>1,355,186</u>	<u>793,390</u>
		<u>1,553,270</u>	<u>838,250</u>
CREDITORS : AMOUNTS FALLING DUE WITHIN ONE YEAR			
	6	<u>(66,328)</u>	<u>(17,791)</u>
NET CURRENT ASSETS		<u>1,486,942</u>	<u>820,459</u>
TOTAL ASSETS LESS CURRENT LIABILITIES		3,060,385	1,003,973
CREDITORS : AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR			
	6	(3,000,000)	(1,000,000)
PROVISIONS FOR LIABILITIES AND CHARGES	7	<u>(68,341)</u>	<u>(3,853)</u>
NET (LIABILITIES) / ASSETS		<u>(7,956)</u>	<u>120</u>
CAPITAL AND RESERVES			
Called up share capital	8	1,000	1,000
Profit and loss account	9	<u>(8,956)</u>	<u>(880)</u>
EQUITY SHAREHOLDERS' (DEFICIT) / FUNDS	10	<u>(7,956)</u>	<u>120</u>

Approved by the Board of Directors on 9 September 1997.

Signed on behalf of the Board of Directors :


M/C Chapman

Director

BRYANT GROUP LEASING LIMITED

ACCOUNTING POLICIES

The financial statements have been prepared in accordance with applicable accounting standards. The particular accounting policies adopted are described below:-

1. BASIS OF ACCOUNTING

The financial statements are prepared on the historical cost basis of accounting.

2. TURNOVER

Turnover comprises lease rentals and other amounts invoiced less value added tax.

3. DEPRECIATION OF TANGIBLE FIXED ASSETS

Depreciation is provided on motor vehicles to write off their cost less estimated residual value, on a straight line basis, over their anticipated useful life of up to three years.

4. DEFERRED TAXATION

Provision is made for all liabilities that are considered likely to arise in the future.

5. INTEREST PAYABLE

Interest payable is written off as incurred.

BRYANT GROUP LEASING LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 May 1997

	1997 £	Period from 17 November 1995 to 31 May 1996 £
1. LOSS ON ORDINARY ACTIVITIES BEFORE TAXATION		
After charging :		
Depreciation	240,317	8,021
Management charges	8,596	266
Interest payable - Group	<u>76,235</u>	<u>3,305</u>

2. DIRECTORS AND EMPLOYEES

The company has no employees and is managed by Bryant Group Services Limited.

Details of the emoluments of the directors are shown in the financial statements of Bryant Group Services Limited, except for those directors who are also directors of the ultimate parent company whose emoluments are shown in the financial statements of Bryant Group plc.

	1997 £	Period from 17 November 1995 to 31 May 1996 £
3. TAX ON LOSS ON ORDINARY ACTIVITIES		
Corporation tax recoverable at 32.7% (1996 - 33%)	74,011	4,286
Deferred tax	(64,722)	(3,853)
Deferred tax prior year adjustment	<u>234</u>	<u>-</u>
	<u>9,523</u>	<u>433</u>

4. TANGIBLE FIXED ASSETS

COST	Motor Vehicles £
At 1 June 1996	191,535
Additions	1,630,246
	<hr/>
At 31 May 1997	1,821,781
ACCUMULATED DEPRECIATION	
At 1 June 1996	8,021
Charge for year	240,317
	<hr/>
At 31 May 1997	248,338
NET BOOK VALUE	
At 31 May 1997	<hr/> 1,573,443 <hr/>
At 31 May 1996	<hr/> 183,514 <hr/>

BRYANT GROUP LEASING LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 May 1997

5. DEBTORS :	1997 £	1996 £
Amounts owed by parent company	43,379	5,796
Other debtors and prepayments	41,701	2,246
Corporation tax recoverable	74,011	4,286
Other taxation	38,993	32,532
	<u>198,084</u>	<u>44,860</u>

6. CREDITORS :

Amounts falling due within one year :		
Trade creditors	39,180	14,487
Amounts owed to group companies	<u>27,148</u>	<u>3,304</u>
	<u>66,328</u>	<u>17,791</u>

Amounts falling due after more than one year :		
Amounts owed to group companies	<u>3,000,000</u>	<u>1,000,000</u>

The balance represents a loan repayable on maturity in between two and five years.

7. PROVISIONS FOR LIABILITIES AND CHARGES

Deferred taxation :	£
At 1 June 1996	3,853
Profit and loss charge	64,722
Prior year adjustment	<u>(234)</u>
At 31 May 1997	<u>68,341</u>

The deferred tax balance arises due to the excess of capital allowances over depreciation charged in the accounts.

8. CALLED UP SHARE CAPITAL	1997 £	1996 £
Authorised, called up, allotted and fully paid 1,000 ordinary shares of £1 each	<u>1,000</u>	<u>1,000</u>

9. RESERVES

	£
At 1 June 1996	(880)
Loss for the year	<u>(8,076)</u>
At 31 May 1997	<u>(8,956)</u>

BRYANT GROUP LEASING LIMITED

NOTES TO THE ACCOUNTS

Year ended 31 May 1997

10. RECONCILIATION OF MOVEMENT IN SHAREHOLDERS' FUNDS

	1997 £	1996 £
Issue of Share Capital	-	1,000
Loss for the period	(8,076)	(880)
	<hr/> (8,076)	<hr/> 120
Opening shareholders' funds	120	-
	<hr/>	<hr/>
Closing shareholders' (deficit) / funds	<hr/> (7,956)	<hr/> 120

11. CONTINGENT LIABILITIES

The company has given unlimited guarantees on the bank borrowings of the ultimate parent company and certain fellow subsidiaries.

12. RELATED PARTY TRANSACTIONS

Disclosures in respect of Mr M C Chapman and Mr G F Potton are given in the accounts of Bryant Group plc.

Other, than as noted above, no material contract in which the directors of the company or other related parties had an interest subsisted at any time during the year.

Transactions with other group companies are not disclosed as permitted by FRS8 as the company is a wholly owned subsidiary of Bryant Group plc, whose consolidated accounts are publically available.

13. ULTIMATE PARENT COMPANY

The company's immediate parent company is Bryant Group Services Limited, which is registered in England and Wales.

Bryant Group plc, which is registered in England and Wales, is the company's ultimate parent company. Copies of the group financial statements can be obtained from The Secretary, Bryant Group plc, Cranmore House, Cranmore Boulevard, Solihull, West Midlands, B90 4SD.